

**The Kalamazoo-St. Joseph-Calhoun-Barry-Branch Region
21st Century Workforce Initiative Strategic Plan Update
May 30, 2007**

Outline:

- I. Summary
 - II. Coordinated and Consolidated Employer Outreach
 - III. Labor Market Information
 - IV. Talent Attraction and Retention
 - V. Communications Strategy
 - VI. Summarized Carry Forward Plan
-

I. Summary

Beginning with a Regional Summit on September 14, 2006 to develop and strengthen relationships among partners in the workforce development, economic development and education sectors in Kalamazoo-St. Joseph-Calhoun-Barry and Branch counties, our 21st Century Workforce initiative has progressed and taken important steps toward a coordinated strategy for regional wealth creation. Highlights include:

- The W.E. Upjohn Institute, Convener for the 21st Century grant, hired a 21st Century Workforce initiative Coordinator to direct implementation of the grant and foster collaboration among regional partners
- Nine Michigan Works staff members successfully completed the Business Solutions Professional course sponsored by MDLEG and MSU and demonstrated competency in applying the Business Solutions process
- The W.E. Upjohn Institute will complete (final draft available, June 30th) an Environmental Scan and Labor Market Study, including data from over 500 businesses for the five county region
- The 21st Century Workforce initiative partners collaborated with two additional MWA's and MDLEG to develop and submit a 3rd Generation Federal WIRED grant to develop groundbreaking partnerships between manufacturers and community colleges along the I-94 corridor from Jackson to Benton Harbor
- Business Services Teams in the region completed 19 *Business Enhancement Services Team (BEST)* proposals to businesses, with a combined value of \$4,540,000

While these highlights indicate progress on our regional strategy, major work still remains in relationship development and resource alignment within each county. For example, partners from the economic development, education and workforce development sectors in Kalamazoo County are beginning to strengthen their relationships by planning a Demand-Driven Job Summit for February 2008. Additionally, partners in St. Joseph County are assembling funds to engage in a countywide strategic planning process. As these alignment activities within each county progress, we anticipate each county will have greater capacity to engage in regional wealth creation coordination and planning.

Our carry forward plan and funds will foster both necessary resource alignment within each the counties within our region as well as stronger relationship development, partnership and resource sharing across the five counties. Additionally, the WIRED planning group identified many common opportunities and challenges across the 11 county, I-94 corridor. As a result, our carry forward plan includes activities related to strengthening relationships across the 11 counties and four MWA's.

II. Coordinated and Consolidated Business Outreach

Nine staff from our region completed the Business Solutions Professional course on May 15, 2007. The training provided us with a strong foundation upon which we are now building our coordinated outreach plan to businesses. At the core of our business outreach is the recognition that we, as Business Solutions Professionals, are responsible for adding value to businesses, no matter what current or future challenges businesses are facing. With nine certified Business Solutions Professionals, our region is now positioned well to change the public's perception of the Michigan Works! from a passive, supply-side set of fragmented programs, to a dynamic, collaborative, demand-driven, business solution system.

The Business Solutions approach to business engagement requires our system to align our resources and look at businesses through one lens. Therefore, the same Business Services Team members will handle all Layoff Aversion, Business Enhancement and Rapid Response. Business Services Team members will continue to receive training so they can effectively respond to each, unique business situation. Additionally, Business Service Team members will continue to strengthen relationships with other business solution providers to ensure that all available resources are utilized to assist with rapid response activities and/or business attraction, retention and enhancement.

While the Calhoun-Barry-Branch Business Services Team has been operating since July 2005, the Kalamazoo-St. Joseph Business Services Team is currently being developed by five of the local Certified Business Solutions Professionals, in partnership with South Central Michigan Works (see BST Proposal 05 07 for details). Since September 2006, the Calhoun-Barry-Branch Business Services Team, combined with the business outreach efforts of a Kalamazoo-St. Joseph staff person completed 19 *Business Enhancement Services Team (BEST)* proposals to regional businesses, with a combined value of \$4,540,000.

Carry Forward Plan through June 30, 2008

- Implement Kalamazoo-St. Joseph Business Services Team
- Strengthen coordination between our region's two Business Service Teams
- Assess and strategically invest in initiatives that strengthen resource alignment within and across regional counties
- Contract with information technology provider to facilitate increased communication among business solution providers (currently reviewing Executive Pulse program)

III. Labor Market Information

The W.E. Upjohn Institute will complete (final draft available, June 30th) an Environmental Scan and Labor Market Study, including data from over 500 businesses for the five county region.

On May 17, 2007, over 30 regional partners reviewed preliminary data from the Study (see Scan May 17 Power Point slides for more detail). The release of data at the May 17th meeting provided a focused agenda to bring partners back together and frame a discussion about our regional economy. We were pleased that participants expressed their desire to use the data to generate questions and develop coordinated, regional wealth creation strategies.

Carry Forward Plan through June 30, 2008

- Host a follow-up meeting to present the final results from the Study and determine how we as a region can utilize the data and other regional workforce and economic information to generate regional wealth creation through human, economic and community development strategies
- Analyze synergies between our region and two additional MWA's along I-94 corridor to determine areas for increased collaboration, which may include business outreach, labor market information collection and dissemination, talent attraction and retention and communications.

IV. Talent Attraction and Retention

We believe talent attraction and retention is aligned with business attraction and retention. In a recent speech, Jim Hettinger, President and CEO of Battle Creek Unlimited cited two keys to business attraction and retention:

- Boosting the skills of the region's workforce;
- Ensuring a high quality of life, including a high quality physical environment that is attractive to businesses and families.

By working in partnership with the economic development, education, and all community sectors to develop effective business solutions, we have a new leadership role in boosting workforce skills and ensuring a high quality of life. In our new Business Services role, we represent not only workforce solutions, but also links to all available local, State and Federal business solution resources. We now recognize our new leadership role and will work to make the 21st Century workforce development system proactive, seeking partnerships that directly affect the core of our regional quality of life.

Carry Forward Plan through June 30, 2008

- Develop a regional branding initiative to identify our regional educational and broader quality of life assets that can be strategically leveraged to attract and retain businesses and talent

V. Communications Strategy

Partners in the region understand the need for a coordinated marketing and communications plan to assist our transition into the 21st Century Workforce. We believe we will need communications materials to help both current and future partners understand our new and emerging role in regional wealth creation. At this point in the transition, however, we have not developed a structured communications plan.

We anticipate that both the next steps from the Environmental Scan and Labor Market Study as well as the regional branding initiative will help generate ideas for a regional communications plan. In the meantime, we are confident that the new collaborative and business solutions role we are playing with businesses and other business solution providers is helping us redefine the Michigan Works system as a key player to help attract and retain the 21st Century Workforce and develop the quality of life we will need to be competitive.

VI. Summarized Carry Forward Plan

We will submit a carry-forward budget to complement the following carry-forward plan by the June 15th deadline.

a. Coordinated and Consolidated Business Outreach

- Implement Kalamazoo-St. Joseph Business Services Team
- Strengthen coordination between our region's two Business Service Teams
- Assess and strategically invest in initiatives that strengthen resource alignment within and across regional counties
- Contract with information technology provider to facilitate increased communication among business solution providers (currently reviewing Executive Pulse program)

b. Labor Market Information

- Host a follow-up meeting to present the final results from the Study and determine how we as a region can utilize the data and other regional workforce and economic information to generate regional wealth creation through human, economic and community development strategies.
- Analyze synergies between our region and two additional MWA's along I-94 corridor to determine areas for increased collaboration, which may include business outreach, labor market information collection and dissemination, talent attraction and retention and communications.

c. Talent Attraction and Retention

- Develop a regional branding initiative to identify our regional educational and broader quality of life assets that can be strategically leveraged to attract and retain businesses and talent.

d. Communications

- To be determined.

Please see attachments referenced in Report:

- BST Proposal 05 07
- Scan May 17 Power Point presentation

A Proposal to Develop and Integrate a Business Services Team into the Kalamazoo-St. Joseph Counties Workforce Development System

Outline:

- Background and Context for Change
- The Business Services Team (BST) Concept
- The Kalamazoo-St. Joseph Business Services Team Structure, Processes and Outcomes
- MWA Considerations

I. Background and Context

Due to current Federal, State and local funding priorities, as well as tradition, our current workforce development system is primarily driven by the needs of the job seeker, or the SUPPLY side of the workforce development equation. In order to meet the needs of our primary customer--the job seeker--workforce development professionals work to identify each individual's strengths and barriers to employment. Then, for less than half of the TOTAL people served in our system, workforce development professionals find a placement for the job seeker. When possible, the workforce development professional then provides support for the new employee. Nonetheless, despite our efforts to support the individual before and after placement, less than half of the TOTAL people served in our system will retain their job after only 90 days. And then the cycle starts again.

While the above scenario is an oversimplification of a complex process, it is clear that the our current workforce development system can be improved to better meet the needs of individuals seeking work, as well as businesses seeking new talent. Our system has improved its service to individuals seeking employment through improved customer service strategies, improved assessment tools, and improved collaboration with other human service agency staff. All of these strategies, however, keep our attention on our primary customer, the job seeker. Our continuous improvement efforts have not yet considered, systematically, how we could better serve job seekers as well as businesses by **expanding our paradigm** to focus on the needs of both the SUPPLY-SIDE **AND** DEMAND-SIDE of the workforce development equation.

Many Federal and State entities have stated the need for workforce development systems to move towards a Demand Driven system. Groups including the US Department of Labor Employment and Training Administration, National Association of Workforce Boards, Center for Employment Security Education and Research, and Michigan's Department of Labor and Economic Growth cite **Global Competition, Increased Workforce Diversity, and Increased Technology** as key factors that have created a need for workforce development systems to work closely with businesses to identify the current and emerging skills needed to obtain and retain employment in the new marketplace. Thus, our workforce development system, like all others across the country, is faced with the challenge of adapting our current structure and activities to meet the needs of the 21st century workforce.

Furthermore, considering the extraordinary competition of the marketplace, businesses are placing a greater emphasis on talent development. Businesses are increasingly aware that their survival and ability to thrive in today's "innovation economy" is dependent upon the skills of their workforce. Therefore, we as the workforce development system are in a pivotal role to help attract, retain and expand businesses in our region. However, in order to fully realize our leadership role in the new economy, we must expand our paradigm to focus on Demand, and move a fragmented, supply focused, program approach into a collaborative, aligned System.

II. The Business Services Team (BST) Concept

Our current workforce development approach does not place a strong emphasis on relationship development with businesses. In fact, over 90% of workforce development funds are intended to serve job seekers, leaving very little funding and therefore time to connect with the private sector. As a result, employer outreach is inconsistent, and often disconnected from our available talent pool, leaving numerous job orders unfilled and Michigan Works business customers unsatisfied. Additionally, Michigan's sluggish economy over the past several years has made the challenge of placing people in jobs even greater. Our current method of business interaction puts us in the position of an outsider, unable to help either the business or the job seeker, waiting and waiting for conditions to improve.

The Business Services Team (BST) Concept is one key strategy that can move our workforce development programs towards a more demand-driven system, and provide greater value to our customers, the job seeker and business. The BST concept has three key features:

- a. A focus on Business as the driver and primary customer
- b. A team of workforce development professionals committed to relationship development with businesses
- c. Strategic collaboration with regional economic development and education partners to provide business solutions to businesses

a. Businesses are Our Primary Customer

The best way for us to serve a job seeker is to help them find a job. The more jobs that are available, the better chance we have of helping job seekers obtain and retain jobs. If we can help attract, retain and expand businesses, we significantly increase our chances to place people into jobs.

The BST concept requires the workforce development system to place ***Businesses As Our Primary Customer***. A strong relationship with businesses through which we provide business solutions will leverage an increasing number of jobs for people we serve, thereby serving the needs of both supply and demand. Following are the key objectives of a successful workforce development system relationship with businesses:

- Assess where jobs are and will be in the near and long-term future
- Assess skills required to fill jobs available today and in the future
- Provide individualized business solutions in partnership with other local, State and Federal workforce development, economic development and education partners
- Provide industry sector-based business solutions in partnership with other local, State and Federal workforce development, economic development and education partners

A focus on businesses as our primary customer will not limit or decrease our attention to excellent customer service to job seekers. On the contrary, a focused strategy to engage with businesses around the objectives above will enable us to better direct job seekers to appropriate training and stable job placements that lead to financial self-sufficiency. The BST concept propels our system towards a new role in creating and sustaining the jobs that serve our customers and in the process, take a stronger leadership role in our region's overall quality of life.

b. A Workforce Development Team Committed to Businesses

Currently, each of our four contracted service providers conducts some form of business outreach. While each provider has an important role in our overall service delivery package to businesses, our outreach is program focused, not systemic, and uncoordinated, and therefore often duplicative. *The BST concept calls for a Coordinated, Systematic, Team approach to business outreach and engagement.*

The BST will be comprised of full time business outreach specialists and support staff who will represent our entire Michigan Works system, not individual programs, as they develop relationships with regional businesses. The BST will have the sole responsibility for representing our Michigan Works system to businesses and partners, thereby increasing accessibility to our system as well as accountability for our services.

c. Strategic Collaboration with Regional Business Solution Partners

The BST will be responsible for developing relationships with the many other local, State and Federal partners that can also provide solutions for regional businesses, including Kalamazoo Valley and Glen Oaks Community Colleges, Southwest Michigan First and St. Joseph County Economic Development Corporation, the Kalamazoo Regional and Three Rivers Chambers of Commerce, local governments, unions, the Michigan Economic Development Corporation and Michigan Department of Labor and Economic Growth and others. With a strong knowledge base of available services for businesses, each BST visit to a business has tremendous potential to add value. Additionally, to the extent we can effectively coordinate our outreach with these other partners, we also increase the effectiveness and efficiency of our outreach efforts.

Furthermore, the BST can utilize labor market information from the Upjohn Institute and the State to strategically identify those businesses that can provide the greatest opportunities for job seekers in our system. With a strong and collaborative BST, we can provide value to any business. However, considering our limited resources and the unique role we play among our region's business solution providers, the BST should seek to strengthen relationships with those businesses with the greatest potential for our supply of workers. While strategic outreach to businesses that meet our mission is the goal, it is understood that the BST outreach strategy will develop and evolve over time.

III. The Kalamazoo-St. Joseph Business Services Team Structure, Processes and Outcomes

A six-member team, representing the Kalamazoo-St. Joseph Michigan Works area recently completed a Business Solutions Professional course as part of the 21st Century Workforce Initiative, sponsored by the Michigan Department of Labor and Economic Growth and MSU School of Labor and Industrial Relations. As a result, our region now has six certified "Business Solutions Professionals." In addition to completing the course, the Team has also met several times to develop BST implementation strategies. The structure, processes and outcomes suggested below are the product of those discussions.

a. BST Structure

The BST will be comprised of 8 – 10 Business Services professionals, with three to four members serving Kalamazoo and St. Joseph counties each. The 8 – 10 member team will be responsible for ALL outreach and relationship development to businesses on behalf of the Kalamazoo-St. Joseph Michigan Works system. Each county will have the following breakout of roles and responsibilities:

Business Services Outreach Representatives, 2 - 3 in each county

- Performs core business outreach functions, developing relationships with and providing solutions to businesses in collaboration with other business solution providers
- Continues to build relationships with other business solution providers
- Monitors implementation of business solutions
- Maintains strong communication with other BST members
- Seeks continuous improvement of BST activities and Michigan Works system

Business Services Coordinators, 2 - 3 in each county

- Directs the internal Michigan Works processes necessary to implement business solutions, including processing and completing job orders, connecting businesses to training providers, completing required paperwork on behalf of a business, conducting assessments, etc.
- Monitors all business solution processes to ensure accountability
- Seeks continuous improvement of BST activities and Michigan Works system

The roles and responsibilities above must ensure **equal access and equal distribution** of information to all business solution partners. In addition to the 8 – 10 member BST, the Upjohn Institute's Business and Community Development Coordinator will provide leadership and supervision to the BST.

The Team who helped develop this proposal also developed the following Guiding Principles for the entire Michigan Works system, including administration and subcontractors. The Team believes the following principles will help create a strong foundation for the increased cooperation and collaboration required to effectively implement the BST concept.

BUSINESS SERVICES TEAM GUIDING PRINCIPLES

WE WILL . . .

- Operate as a Team on Common Ground with a Common Vision
- Have Open, Honest, Timely Communication and Timely Follow Through with Both Internal and External Stakeholders
- Have Respect for Others' Ideas, Organizational and Personal Needs and Time
- Use Consensus Decision-Making (which includes problem solving with creative options, shared risks and rewards, attention to interests not positions, and equal opportunity for input)
- Be Innovative, Enterprising, and Entrepreneurial
- Be Accountable Through Regular Evaluation of Measurable Outcomes

b. BST Process

1. Business Services Outreach Representative performs "business retention" calls, in coordination with other business solution providers. Fact Finding during visit leads to business solution development.
2. Business Services Outreach Representative delegates workforce development related business solutions delegates follow-up to Business Services Coordinator
3. Business Services Coordinator works with Michigan Works and other partners to implement, monitor and evaluate business solution activities
4. Business Services Outreach Representative and Coordinator maintain regular communication to ensure accountability and keep other Michigan Works and other partners informed about the status of activities at businesses

In addition to this simplified summary of steps, from time to time, all BST members and other Michigan Works staff will be asked to contribute to new and emerging business solution projects that require greater resource investment.

Components not addressed in the process described above:

- a. What is our process for identifying our BST?
- b. How are BST members trained?
- c. What is our plan for effectively transitioning staff from their current to their new roles as a result of the BST implementation?
- d. What mechanisms are in place to ensure effective communication between BST members and among Michigan Works partners?
- e. What are our standard to ensure effective monitoring and evaluation of the business solution?

c. BST Outcomes

Initial Outcomes of BST

- Increased knowledge among workforce development professional staff about available resources to provide business solutions
- Strengthened relationships with regional business solution providers

Intermediate Outcomes of BST

- Improved relationships with regional private sector

Longer-Term Outcomes of BST

- Increased regional wealth through human development, economic development, and community development
- Increased job satisfaction among workforce development staff as a result of increased sense of purpose, improved work atmosphere, and increased sense of community connectedness

Because the Business Solutions training at MSU included field work with companies, our local Team of certified Business Solutions Professionals have already achieved outcomes at each of the Initial, Intermediate and Longer-Term levels.

Additionally, the planning Team developed the following **BST Core Competencies** as a way to know whether the BST is working effectively. Therefore, if the BST is working effectively, the BST will be able to:

1. Share and enforce a common mission, vision, and guiding principles
2. Share employer/business information to develop effective business solutions
3. Provide effective business solutions to regional businesses
4. Support MI Works partners through transition process
5. Establish new structures/systems/culture to enable, evaluate, and continuously improve the BST and Michigan Works system

IV. MWA Considerations

Because the state and national push for workforce development systems to become demand-driven does not come with funding, we must plan BST implementation carefully and cautiously to avoid staff burnout and confusion among all partners involved. Nonetheless, as already demonstrated by our involvement in the Business Solutions training as well as our local Model Employment Program, our system is discovering how to become more demand-driven.

Following are key issues we will need to consider as we continue to develop a BST concept that fits our workforce development system and region.

- How do we effectively implement our *“AND Strategy”*—improve services for job seekers *AND* strategically implement a demand-driven BST?
- How and at what levels do we invest in the BST concept in addition to our investment in legacy, supply-side programs?
- What steps need to be taken to make sure we continue meet our existing objectives while we develop and measure ourselves against new metrics of performance and accountability?
- How will the BST concept affect our local policies?
- To what extent do we need to train the entire Michigan Works system in order to implement the BST concept?
- How does the BST concept expand and/or contract our *“resource engine?”*
- How does the BST concept clarify and/or confuse our mission and primary customer?
- How does the BST concept help and/or hinder our efforts to become the best workforce development system in the state, US, and the world?

- Does the BST require us to revise our MWA's mission and vision?
- Does the BST require us to develop a strategic plan for our MWA?
- Does the BST require us to develop a strategic plan for our broader region?
